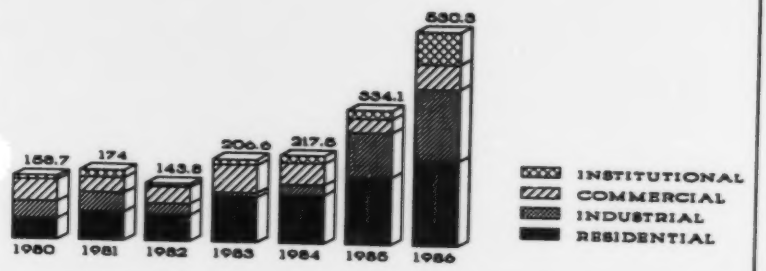
GREATER HAMILTON
CONSTRUCTION TRENDS
DEVELOPMENT - REPORT 87-3

Hamilton-Wentworth Region Planning and Development Department Strategic Planning Division

INTRODUCTION

This bulletin describes construction activity in the Regional Municipality of Hamilton-Wentworth from January 1980 to September 1987 and compares 1980 to 1986 activity to that of other municipalities in Ontario and across Canada.
Sources: StatisticsCanada 1980-1986 Annual Building Permit Summaries, 1987 Area Municipality monthly Building Permit Summaries compiled by the Hamilton Wentworth Economic Development Department.

HAMILTON-WENTWORTH 1980-1986
TOTAL BUILDING PERMITS ($MILLIONS)



HIGHLIGHTS

RECORD TOTAL ACTIVITY IN 1986

- Half a billion dollars in building permits were issued in Hamilton-Wentworth in 1986 - a 59% gain over 1985. Annual totals increased greatly from 1980 to 1986.
- Growth in activity kept pace with nearby urban areas from 1980 to 1984 and surpassed them in 1985 and 1986.
- $418.8 million in permits for the first 9 months of 1987 suggests continuing high activity.

RESIDENTIAL BUILDINGS DOMINATES

- Growth surpassed other sectors as high demand continued for low-density housing in southern Ontario.
- 1986 value of $210.4 million was four times that of 1980.
- 68% of the 13,000 units built from 1980 to 1986 were single family homes.
- Recent growth has surpassed most other urban areas in Canada.
- $260.2 million in permits for the first three quarters of 1987 suggests continuing strong growth.

RECENT BOOM IN INDUSTRIAL CONSTRUCTION

- Values greatly increased in 1985 and 1986 following weak activity from 1980 to 1984.
- 1986 value of $179.6 million was four times that of 1980.
- Growth considerably outpaced all other urban areas in Ontario and Canada.
- $ 60.4 million in permits for the first 9 months of 1987 suggests a return to more moderate growth.

FLUCTUATING COMMERCIAL CONSTRUCTION

- Values rebounded in 1986 to $60.1 million, an increase of 25 % over the average annual values from 1980 to 1985.
- Growth was slower than other urban areas in Ontario and Canada.
- $60.7 million in permits in the first three quarters of 1987 suggests continuing strong activity.

1986 GROWTH IN INSTITUTIONAL CONSTRUCTION

- After steady growth from 1982 to 1985, activity increased in 1986 to $80.7 million.
- 1986 value was nearly four times that of 1985.
- Growth from 1980 to 1985 was in line with other southern Ontario municipalities, but the gain in 1986 was far ahead of other urban areas.
- $37.4 million in permits for the first 9 months of 1987 suggests a return to more moderate growth.

HIGH RESIDENTIAL GROWTH

RESIDENTIAL BUILDING PERMITS ($MILLIONS) - AREA MUNICIPALITIES

	1980	1981	1982	1983	1984	1985	1986	Jan-Sept 1987
Ancaster	8.7	10.4	8.1	19.6	21.7	26.3	42.5	42.4
Dundas	0.8	5.0	3.2	5.7	4.6	10.4	8.2	29.7
Flamborough	5.6	8.6	6.4	12.9	14.7	20.0	24.6	23.6
Glanbrook	1.7	1.5	1.4	2.7	1.9	2.8	3.9	4.0
Hamilton	21.4	24.1	32.0	41.8	46.0	67.7	85.7	118.7
Stoney Creek	13.9	21.9	13.5	30.0	30.9	40.8	45.5	41.7

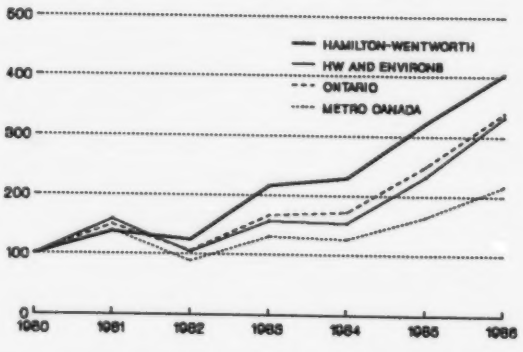
Hamilton-Wentworth enjoyed significant growth in residential construction from 1980 to 1986. Nearly $800 million in permits were issued from 1980 to 1986. In 1986, $210.4 million in building permits were issued - a 304% improvement over 1980 and a 59% improvement over 1985. This trend is continuing with $260.2 million in permits being issued in the first 9 months of 1987 - 124% of the total for all of 1986.

The share of activity in each area municipality fluctuated from 1980 to 1986. Hamilton accounted for 39.9%, Stoney Creek 24.6%, Ancaster 17.2%, Flamborough 11.6%, Dundas 4.7% and Glanbrook 2%.

The rate of growth since 1981 outpaced that of combined urban areas near Hamilton - Wentworth ('H-W and Environs' in Table and Graph), Ontario, and metropolitan areas across Canada ('Metro Canada' in Table and Graph). However, the Region's growth was slower than that in the Metropolitan Toronto area.

Note:'H-W and Environs' includes urban areas near Hamilton - Wentworth as listed in the Table, 'Ontario' includes all Ontario municipalities,'Metro Canada' includes all Census Metropolitan Areas in Canada.

RESIDENTIAL CONSTRUCTION PERCENTAGE OF 1980 VALUE



RESIDENTIAL BUILDING PERMIT VALUES ($ MILLIONS) REGION AND OTHER AREAS

	1980	1981	1982	1983	1984	1985	1986
Hamilton-Wentworth RM	52.1	71.5	64.6	112.7	119.8	168.0	210.4
Brant County	8.6	8.2	10.6	18.4	17.5	20.4	37.6
Durham RM	63.4	142.9	135.4	176.5	189.4	296.3	525.8
Haldimand-Norfolk RM	17.1	14.7	11.1	16.9	17.3	23.9	28.5
Halton RM	77.7	106.8	57.6	97.2	117.5	195.7	352.9
Niagara RM	47.7	60.2	54.9	84.7	73.2	139.7	210.6
Peel RM	335.7	523.7	257.9	378.4	361.2	560.0	915.5
Metro Toronto	477.0	740.9	529.0	663.0	515.9	745.2	814.9
Waterloo RM	51.5	75.6	59.5	98.1	98.4	183.5	285.2
York RM	216.8	386.2	229.2	447.3	543.6	797.3	1104.5
H-W and Environs	1347.6	2130.7	1409.8	2093.2	2053.8	3130.0	4485.9
Ontario	1960.0	2935.3	2084.9	3250.5	3360.6	4886.4	6648.9
Metro Canada	4843.0	6735.0	4318.0	6293.8	6111.3	7934.0	10450.0

GREATER HAMILTON CONSTRUCTION TRENDS (REPORT 87-3)

ERRATA

The table at the bottom of Page 3 should include 88 Apartment Units and 73 Row Units in Ancaster. The revised table below shows these changes and resulting changes to total and percentage calculations.

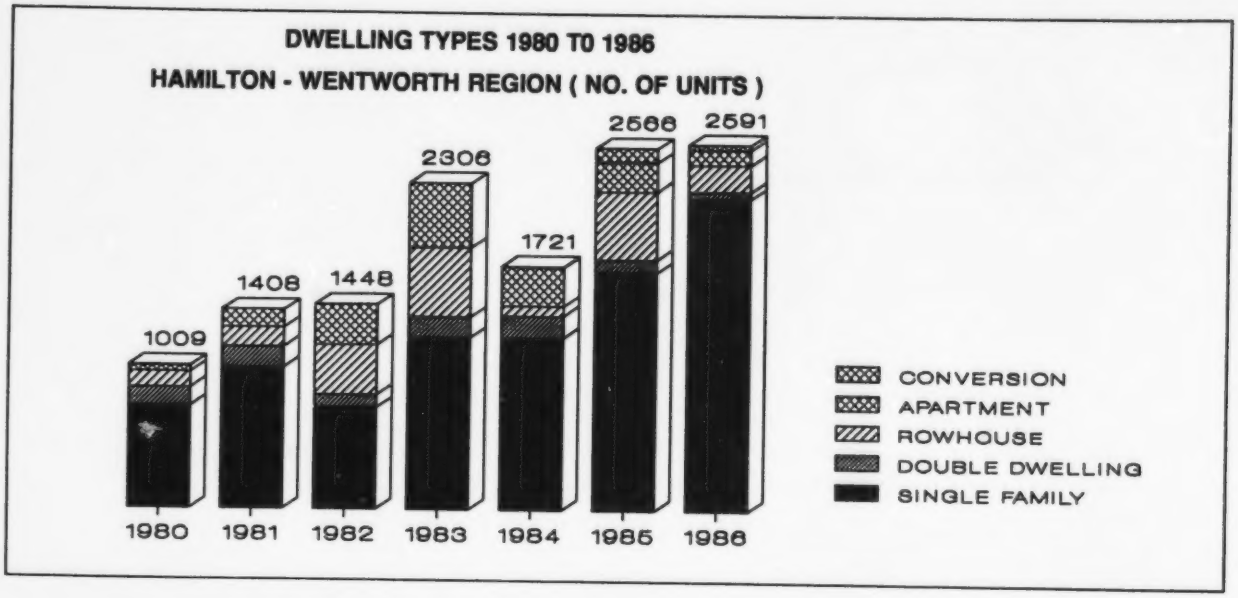
RESIDENTIAL UNITS BY TYPE
HAMILTON - WENTWORTH REGION 1980 TO 1986

	Single Dwellings		Double Dwellings		Row Dwellings		Apartments		Conversions		TOTAL	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
ANCASTER	1,536	18	6	1	73	4	88	6	0	0	1,703	13
DUNDAS	410	5	0	0	58	3	51	3	50	34	569	4
FLAMBOROUGH	1,043	12	0	0	30	2	37	2	2	1	1,112	9
GLANBROOK	125	1	0	0	0	0	31	2	3	2	159	1
HAMILTON	3,612	41	96	12	1288	70	1,044	70	57	39	6,097	47
STONEY CREEK	2,043	23	708	87	381	21	245	16	34	23	3,411	26
H-W REGION	8,769	100	810	100	1,830	100	1,496	100	146	100	13,051	100
PERCENT OF ALL DWELLING UNITS		67.2		6.2		14.0		11.5		1.1		100.0

As a result of the above correction, the first sentence on Page 3 should read "...13,051 dwelling units".

The third sentence should read "...91% of row houses and 86% of apartments".

SINGLE FAMILY DWELLINGS PREDOMINATE



Single family dwellings accounted for two - thirds of the 12,928 dwelling units constructed in Hamilton - Wentworth from 1980 to 1986. Relatively little higher density building took place in spite of the rapidly rising costs of single family homes. It was concentrated in Hamilton and Stoney Creek which together accounted for 99% of double dwellings, 93% of rowhouses and 91% of apartments.

The total number of units constructed did not increase as quickly as might be expected from the rapid rise in the value of residential construction. This is due to the significant increases in per unit costs and the mix of dwellings from year to year.

RESIDENTIAL UNITS BY TYPE
HAMILTON - WENTWORTH REGION 1980 TO 1986

	Single Dwellings		Double Dwellings		Row Dwellings		Apartments		Conversions		TOTAL	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
ANCASTER	1,536	18	6	1	37	2	0	0	0	0	1,579	12
DUNDAS	410	5	0	0	59	3	51	4	50	34	570	4
FLAMBOROUGH	1,043	12	0	0	30	2	37	3	2	1	1,112	9
GLANBROOK	125	1	0	0	0	0	31	2	3	2	159	1
HAMILTON	3,612	41	96	12	1288	72	1,044	74	57	39	6,097	47
STONEY CREEK	2,043	23	708	87	381	21	245	17	34	23	3,411	26
H-W REGION	8,769	100	810	100	1,795	100	1,408	100	146	100	12,928	100
PERCENT OF ALL DWELLING UNITS		67.8		6.3		13.9		10.9		1.1		100.0

RECENT HIGH INDUSTRIAL GROWTH

INDUSTRIAL BUILDING PERMITS ($MILLIONS) - AREA MUNICIPALITIES

	1980	1981	1982	1983	1984	1985	1986	Jan-Sept 1987
Ancaster	0.3	0.2	0.2	1.1	0.3	1.2	0.4	4.1
Dundas	0.0	0.1	0.1	0.1	0.3	0.2	0.0	0.0
Flamborough	0.9	0.9	1.4	0.9	1.4	2.2	2.7	1.4
Glanbrook	0.2	0.2	10.2	0.4	4.3	1.1	0.8	0.2
Hamilton	35.6	41.2	16.2	6.2	19.5	100.8	171.5	48.6
Stoney Creek	4.8	3.8	0.6	0.8	0.5	5.2	3.8	6.1

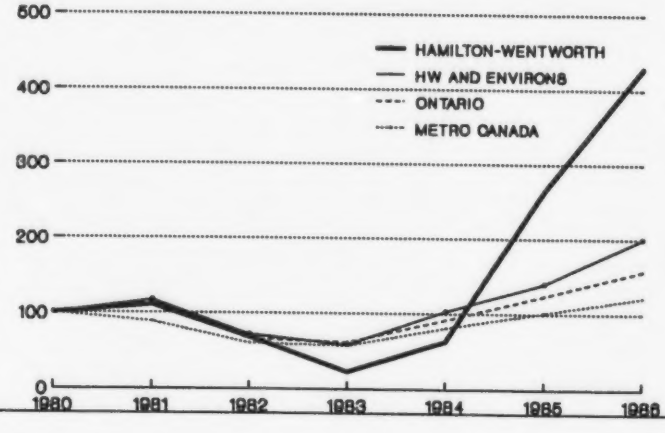
Industrial construction values showed strong improvement from the 1980-1984 period - a 320% increase for 1985 over 1984 and a 62% increase for 1986 over 1985.The 1986 value was 428% that of 1980. This growth was primarily due to modernization programs at Stelco and Dofasco. $443.0 million dollars in permits were issued from 1980 to 1986

The City of Hamilton increased its share of total activity in the Region from 85.2% in 1980 to 95.6% in 1986.

Building permit values for the first three quarters of 1987 ($60.4 million) suggest lower activity than 1986, as this is only 34% of the value for all 1986.

Hamilton-Wentworth's growth in 1985 and 1986 was better than other areas in Ontario and Canada, despite slower growth than other areas from 1980 to 1984. In 1985, the Region accounted for 17.6% of all industrial construction in urban areas near the Region (i.e. 'H-W and Environs'). This rose to 20.3% in 1986.

INDUSTRIAL CONSTRUCTION
PERCENTAGE OF 1980 VALUE



INDUSTRIAL BUILDING PERMIT VALUES ($MILLIONS) REGION AND OTHER AREAS

	1980	1981	1982	1983	1984	1985	1986
Hamilton-Wentworth RM	41.8	46.4	28.7	9.5	26.3	110.7	179.6
Brant County	10.7	6.8	3.8	3.3	7.6	4.5	10.0
Durham RM	42.7	45.4	19.5	11.3	79.5	80.7	107.2
Haldimand-Norfolk RM	20.5	12.8	8.7	1.5	4.0	3.1	5.9
Halton RM	18.3	25.9	8.9	8.1	18.0	25.2	41.5
Niagara RM	56.9	34.3	15.2	14.5	22.6	30.5	23.0
Peel RM	93.8	108.6	64.6	41.0	54.7	110.1	145.7
Metro Toronto	89.7	156.6	103.1	103.9	114.7	116.4	174.5
Waterloo RM	19.2	20.8	9.0	12.1	24.9	29.0	49.5
York RM	23.0	28.4	35.4	39.6	77.5	73.1	97.0
H-W and Environs	416.6	486.0	296.9	244.8	429.8	583.3	833.5
Ontario	710.3	784.1	468.4	435.3	654.6	880.6	1112.0
Metro Canada	1086.5	963.0	649.5	615.2	878.1	1109.2	1323.6

FLUCTUATING COMMERCIAL CONSTRUCTION

COMMERCIAL BUILDING PERMITS ($MILLIONS)-AREA MUNICIPALITIES

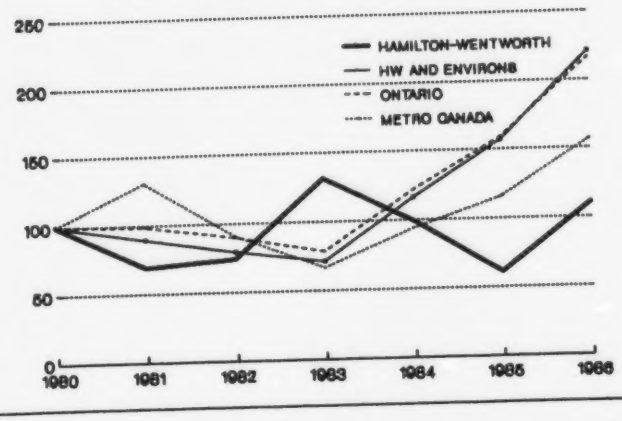
	1980	1981	1982	1983	1984	1985	1986	Jan-Sept 1987
Ancaster	2.2	0.6	0.1	0.6	0.3	0.9	1.8	2.4
Dundas	0.4	0.3	0.4	0.2	0.8	0.5	1.4	0.3
Flamborough	0.7	1.1	0.3	1.0	1.4	3.6	1.1	2.1
Glanbrook	0.2	0.2	0.4	0.2	0.1	0.2	0.2	0.2
Hamilton	48.2	31.9	37.6	37.2	49.6	21.9	48.1	51.6
Stoney Creek	2.3	3.5	1.5	1.6	1.7	6.0	7.4	4.1

Commercial construction values in Hamilton-Wentworth fluctuated considerably from 1980 to 1986. Activity was concentrated in the Hamilton downtown. $349.7 million in permits were issued from 1980 to 1986. Although the commercial sector did not suffer as much as the industrial sector during the economic slowdown from 1980 to 1984, there was little growth in comparison to the strong growth in other sectors over 1985 and 1986. Permit values for the first 9 months of 1987 ($60.7 million) suggest strengthening over 1986 as this represents 100% of the value for all of 1986.

Hamilton continued to account for a large, though declining, majority of activity - 89% in 1980 and 80% in 1986. Stoney Creek substantially increased its share - 4.3% in 1980 to 18.1% in 1985 and 12.3% in 1986.

Growth, however, has not kept pace with that of nearby urban areas, Ontario and metropolitan areas across Canada .

COMMERCIAL CONSTRUCTION
PERCENTAGE OF 1980 VALUE



COMMERCIAL BUILDING PERMITS ($MILLIONS)REGION AND OTHER AREAS

	1980	1981	1982	1983	1984	1985	1986
Hamilton-Wentworth RM	54.0	37.6	40.3	70.8	53.9	33.1	60.0
Brant County	8.6	4.7	3.5	4.4	6.6	31.5	19.3
Durham RM	29.1	20.2	55.3	17.7	44.0	50.7	63.0
Haldimand-Norfolk RM	5.4	9.2	2.4	4.3	2.4	3.6	4.3
Halton RM	45.7	40.8	16.7	15.8	36.8	53.3	51.8
Niagara RM	31.8	30.5	16.5	24.0	32.2	39.8	49.0
Peel RM	137.8	181.2	58.0	56.9	170.7	267.2	457.0
Metro Toronto	519.5	425.0	514.7	426.3	651.6	734.5	1020.5
Waterloo RM	30.1	35.8	18.6	20.0	26.0	51.4	111.8
York RM	110.1	88.3	48.4	51.8	107.0	258.4	311.2
H-W and Environs	972.1	873.3	774.4	692.0	1131.2	1523.5	2147.9
Ontario	1307.0	1291.1	1170.6	1026.8	1587.8	2075.0	2820.2
Metro Canada	3185.6	4151.0	2890.3	2136.4	2987.1	3689.8	4996.9

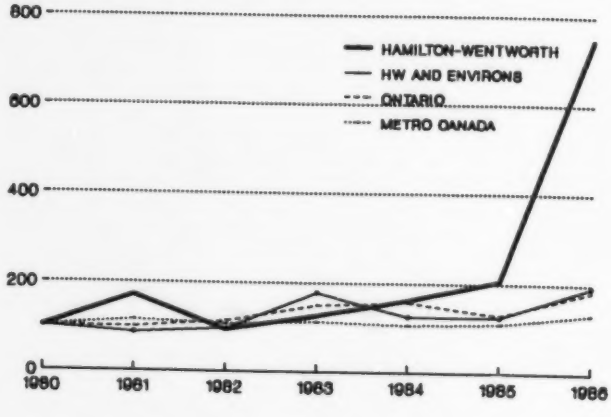
HIGH INSTITUTIONAL GROWTH IN 1986

INSTITUTIONAL BUILDING PERMITS ($MILLIONS) - AREA MUNICIPALITIES

	1980	1981	1982	1983	1984	1985	1986	Jan-Sept 1987
Ancaster	0.0	0.0	0.1	0.3	0.0	6.6	0.7	0.6
Dundas	0.0	0.1	2.3	0.1	0.1	1.2	0.3	1.2
Flamborough	0.1	0.3	0.1	0.8	0.5	1.0	0.1	0.2
Glanbrook	0.0	0.0	0.2	0.1	0.0	0.0	0.0	1.0
Hamilton	8.9	14.1	6.1	10.4	15.9	8.8	75.8	30.7
Stoney Creek	1.8	4.0	1.4	1.9	1.0	4.7	3.8	3.6

The value of institutional construction in Hamilton-Wentworth grew steadily from 1980 to 1986 with very strong activity in 1981 and 1986. In 1981, building permits were issued for the downtown Hamilton provincial government building, and in 1986 permits worth $52.8 million were issued for expansion at the Hamilton General Hospital. $174.0 million in permits were issued from 1980 to 1986. Activity in the first three quarters of 1987 ($37.4 million) suggests a return to slower growth as it represents 46% of the value for all of 1986.

INSTITUTIONAL CONSTRUCTION PERCENTAGE OF 1980 VALUE



Hamilton accounted for a majority (80.5%) of activity from 1980 to 1986. Other area municipalities had varying shares in the period. For example, the building of Redeemer College gave Ancaster 29.6% of the value of activity in 1985.

Hamilton-Wentworth's rate of growth from 1980 to 1985 roughly paralleled growth for urban municipalities in Ontario and other parts of Canada. From 1984 to 1986, activity in the Region constituted 16.9% of all activity in urban areas near the Region ('HW and Environs').

INSTITUTIONAL BUILDING PERMITS ($MILLIONS) REGION AND OTHER AREAS

	1980	1981	1982	1983	1984	1985	1986
Hamilton-Wentworth RM	10.8	18.5	10.2	13.6	17.5	22.3	80.7
Brant County	3.3	1.1	9.2	3.8	4.1	3.3	12.9
Durham RM	10.5	24.5	23.1	24.0	8.4	12.3	28.1
Haldimand-Norfolk RM	1.2	1.9	6.1	2.9	2.0	0.5	1.9
Halton RM	8.4	5.6	6.4	10.6	11.7	36.3	15.3
Niagara RM	11.0	25.4	20.1	15.5	10.3	9.7	12.5
Peel RM	62.9	17.3	34.4	80.0	81.4	22.7	34.0
Metro Toronto	104.7	82.1	94.7	236.9	127.7	130.4	213.5
Waterloo RM	6.1	18.5	7.9	14.2	11.4	38.4	23.4
York RM	24.4	11.9	21.4	29.1	31.0	25.9	46.0
H-W and Environs	243.3	206.8	233.5	430.6	305.5	301.8	468.3
Ontario	427.6	419.1	487.3	637.3	671.3	550.6	778.4
Metro Canada	1117.4	1270.0	1192.8	1252.9	1178.2	1220.3	1476.0

HIGH TOTAL GROWTH

TOTAL BUILDING PERMITS ($MILLIONS) - AREA MUNICIPALITIES

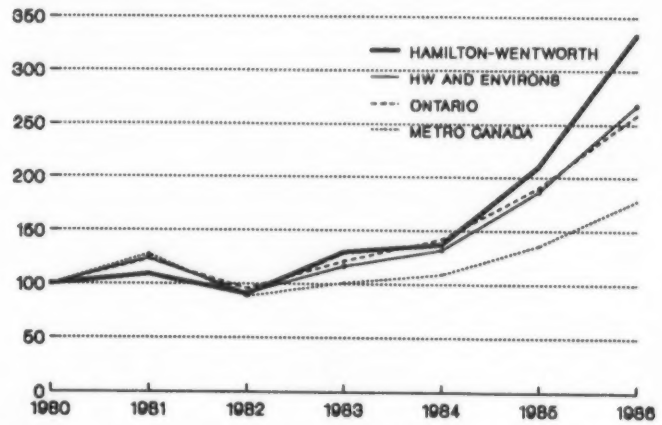
	1980	1981	1982	1983	1984	1985	1986	Jan-Sept 1987
Ancaster	11.3	11.2	8.4	21.6	22.4	35.0	45.3	49.4
Dundas	1.3	5.6	6.0	6.1	5.8	12.3	9.9	31.3
Flamborough	7.4	10.8	8.2	15.7	18.0	26.8	28.5	27.3
Glanbrook	2.3	1.9	12.2	3.4	6.4	4.1	4.8	5.4
Hamilton	113.9	111.3	92.0	125.6	131.1	199.3	381.2	249.7
Stoney Creek	22.7	33.1	17.0	34.2	34.1	56.8	60.6	55.6

Annual values rose dramatically in 1985 and 1986 following strong growth from 1980 to 1984. Values rose significantly, even when adjusted for inflation. Nearly $1.8 billion dollars in building permits were issued from 1980 to 1986. In the first 9 months of 1987, $418.8 million in permits have been issued, 79% of the value for all of 1986 - this suggests that the current high level of activity will be maintained throughout 1987.

Hamilton accounted for 65.4% of total building permit values from 1980 to 1986, Stoney Creek 14.6%, Ancaster 8.8%, Flamborough 6.5%, Dundas 3.7% and Glanbrook 2.0%.

Hamilton - Wentworth's growth in value of construction activity kept pace with that of other areas from 1980 to 1984 and was considerably better in 1985 and 1986. The Region's growth was based on continuing strong single family home construction and major industrial and institutional expansion. Commercial construction was not as strong as other sectors.

TOTAL CONSTRUCTION
PERCENTAGE OF 1980 VALUE

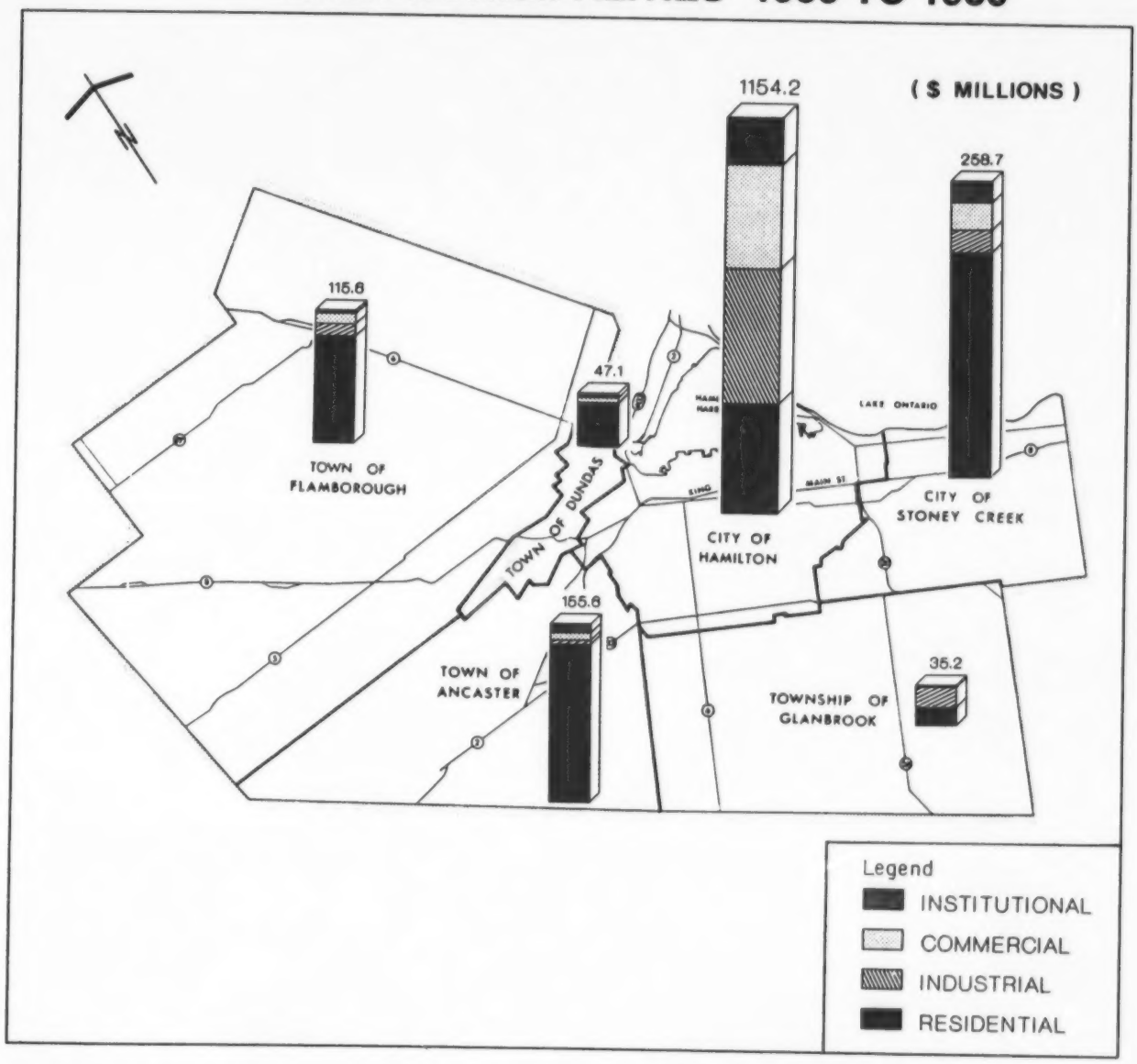


TOTAL BUILDING PERMITS REGION AND OTHER AREAS

	1980	1981	1982	1983	1984	1985	1986
Hamilton-Wentworth RM	158.9	173.9	143.8	206.6	217.8	334.3	530.3
Brant County	26.9	20.8	27.2	29.9	35.8	59.7	79.8
Durham RM	145.5	232.9	233.3	229.5	321.3	440.0	724.1
Haldimand-Norfolk RM	44.2	38.6	28.3	25.6	25.7	33.5	40.7
Halton RM	145.2	179.1	89.6	131.7	184.1	310.5	461.5
Niagara RM	147.4	150.4	106.7	138.6	138.2	219.7	295.1
Peel RM	630.2	830.7	415.0	556.3	668.0	959.9	1552.2
Metro Toronto	1190.9	1404.6	1241.6	1430.2	1409.8	1726.5	2223.4
Waterloo RM	106.9	150.8	95.0	144.3	160.7	302.3	470.0
York RM	374.4	514.8	334.3	567.7	759.2	1154.6	1558.8
H-W and Environs	2970.6	3696.6	2714.8	3460.4	3920.6	5541.0	7935.9
Ontario	4404.9	5429.6	4211.1	5349.9	6274.3	8392.6	11359.5
Metro Canada	10232.4	13119.0	9050.5	10298.4	11154.6	13953.2	18246.4

TOTAL VALUE OF BUILDING PERMITS

AREA MUNICIPALITIES 1980 TO 1986



This is one in a series of information bulletins produced by the Regional Planning Branch of the Planning and Development Department, Regional Municipality of Hamilton - Wentworth.

Other bulletins currently available:

Greater Hamilton Population Trends (Report 87-1)

Greater Hamilton Labour Force (Report 87-2)

Greater Hamilton Industrial Development (Report 87-4)

For further information, please contact Chris Walker at 526 - 4219